

KR INVESTMENT LTD.
Management's Discussion and Analysis
for three and six months ended February 28, 2011

DATE – APRIL 29, 2011

This management's discussion and analysis (the "**MD&A**") of KR Investment Ltd. (the "**Company**") is dated April 29, 2011. The MD&A should be read in conjunction with the unaudited financial statements and related notes thereto for the three and six months ended February 28, 2011, which have been prepared in accordance with Canadian generally accepted accounting principles (the "**GAAP**") and are available on SEDAR at www.sedar.com.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "**Forward-Looking Statements**") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Specifically, this MD&A includes Forward-Looking Statements regarding that "the Company will continue to incur expenses as it continues to identify and evaluate potential companies, assets or business for the Qualifying Transaction", "it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments", "if the Company fails to complete a Qualifying Transaction within 24 months of listing, the Exchange could suspend or delist the common shares of the Company", "in the event that the Company does not complete its Qualifying Transaction within the time specified by the Exchange, an interim cease trade order may be issued against the Company's securities by the securities regulatory authorities and the Company's securities may be suspended from trading on, or delisted from, the Exchange" and "although management of the Company is working diligently to identify a Qualifying Transaction, there is no assurance that a Qualifying Transaction will be entered into or be completed within the specified time, or at all". Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, including the speculative nature of mineral exploration, development and production generally and specifically in respect of the interpretation of the geology, continuity, grade and size of mineral deposits, unanticipated operational or technical difficulties, fluctuating commodity prices, competitive risks and the availability of financing, changes in laws or regulations, changes in the financial markets and changes in general economic conditions, as described in more detail in our recent securities filings available at www.sedar.com. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to the level and volatility of the price of molybdenum, the availability of financing, the accuracy of reserve and resource estimates and the assumptions on which those estimates are based and the ability to achieve and maintain certain operational efficiencies. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward Looking-Statements. Investors are cautioned against placing undue reliance thereon. The Company undertakes no obligation to revise or update the Forward-Looking Statements, except as required by applicable law.

OVERALL PERFORMANCE

Corporate Structure and History

The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 3, 2010 as "KR Investment Ltd.". On January 17, 2011, the Company became a reporting issuer in the Provinces of British Columbia and Alberta, and on March 24, 2011, the Company completed its initial public offering. On March 29, 2011, the common shares of the Company commenced trading on the

TSX Venture Exchange (the “**Exchange**”) under the symbol “KR.P”.

The Company is classified as a “Capital Pool Company” as that term is defined in Policy 2.4 of the Exchange (“**Policy 2.4**”).

Description of Business

The principle business of the Company is to identify and evaluate companies, assets or businesses with a view to completing a “Qualifying Transaction” as that term is defined in Policy 2.4.

The Company has commenced and is in the process of identifying and evaluating potential companies, assets or businesses for the Qualifying Transaction; however, the Company has not yet entered into any “Agreement in Principle” as that term is defined in Policy 2.4. As at the date hereof, the Company has no assets other than a minimum amount of cash.

DISCUSSION OF OPERATIONS

The financial results of the Company for the six months ended February 28, 2011 and for the period from inception of the Company on August 3, 2010 to August 31, 2010 are summarized as follows:

	For six months ended February 28, 2011 (\$)	For the Period from Inception to August 31, 2010 (\$)
Net Income (loss)	(11,639)	(3,115)
Basic/diluted Income (loss) per share	(0.00)	(0.02)
Total Assets	198,299	211,544
Total Liabilities	15,293	16,899

During the six months ended February 28, 2011, the Company had a net loss of \$11,639 consisting of professional fees (\$8,392) and transfer agent and filing fees (\$2,745).

As at February 28, 2011, the Company had no assets other than cash of \$114,230 and deferred financing costs of \$84,069 (incurred in connection with the initial public offering of the Company).

As at February 28, 2011, the Company had accounts payable and accrued liabilities of \$4,193 and a due to a related party of \$11,100 (advances from a director of the Company).

The Company will continue to incur expenses as it continues to identify and evaluate potential companies, assets or business for the Qualifying Transaction.

SUMMARY OF QUARTERLY RESULTS

The Company was incorporated on August 3, 2010; the financial results for each of the two most recently completed quarters and for the period from inception of the Company on August 3, 2010 to August 31, 2010 are summarized as follows:

	For three months ended February 28, 2011 (\$)	For three months ended November 30, 2010 (\$)	For the Period from Inception to August 31, 2010 (\$)
Total Assets	198,299	212,724	211,544
Working Capital (Deficiency)	98,937	127,895	192,965
Shareholders’ Equity	183,006	186,809	194,645

Income (loss)	(3,803)	(7,836)	(3,115)
Income (loss) per share	(0.00)	(0.00)	(0.02)

LIQUIDITY AND CAPITAL RESOURCES

The financial results for three and six months ended February 28, 2011 are summarized as follows:

	For the three months ended February 28, 2011 (\$)	For the six months ended February 28, 2011 (\$)
Cash from Operating Activities	(14,425)	(13,245)
Cash from Financing Activities	(25,155)	(82,389)
Increase in Cash and Cash Equivalents	(39,580)	(95,634)
Cash and Cash Equivalents – Begin of Period	153,810	209,864
Cash and Cash Equivalents – End of Period	114,230	114,230

	As at February 28, 2011 (\$)
Cash and Cash equivalents	114,230
Total Assets	198,299
Total Liabilities	15,293
Share Capital	197,760
Total Shareholders' Equity	183,006
Total Liabilities and Shareholders' Equity	198,299

As at February 28, 2011, the Company had cash of \$114,230 and net working capital of \$98,937, which should be sufficient amount to complete the identification and evaluation of a Qualifying Transaction and to account for expenses typically incurred in completing the Qualifying Transaction.

OFF-BALANCE SHEET ARRANGEMENTS

As at February 28, 2011, and up to the date of this MD&A, the Company has had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

During the three and six months period ended February 28, 2011, the Company had no related transaction. During August 2010, the Company received advances (payable on demand and non-interest bearing) of \$11,100 from a director of the Company to pay certain expenses incurred by the Company.

PROPOSED TRANSACTIONS

During the six months ended February 28, 2011, and up to the date of this MD&A, there were no proposed transactions of the Company, other than as disclosed herein.

CRITICAL ACCOUNTING ESTIMATES & CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

As at February 28, 2011, the Company was a "venture issuer" as that term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*, and as such is not required to provide the information pertaining to the critical accounting estimates of the Company.

For a detailed summary of the Company's accounting policies, the reader is directed to Note 2 of the

Notes to the Unaudited Financial Statements of the Company dated February 28, 2011 available on SEDAR at www.sedar.com.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company will be required to prepare its financial statements in accordance with International Financial Reporting Standards ("IFRS") for the year ending August 31, 2012, with a restatement for comparative purposes of amounts reported by the Company for the year ended August 31, 2011. Management is currently assessing the impact of adopting IFRS and does not expect it to have a material effect on the financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, accounts payable and accrued liabilities and amounts due to a related party. The fair value of these financial instruments approximates their carrying values, unless otherwise noted. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments.

RISKS AND UNCERTAINTIES

The Company is a Capital Pool Company as that term is defined in Policy 2.4. If the Company fails to complete a Qualifying Transaction within 24 months of listing, the Exchange could suspend or delist the common shares of the Company. In the event that the Company does not complete its Qualifying Transaction within the time specified by the Exchange, an interim cease trade order may be issued against the Company's securities by the securities regulatory authorities and the Company's securities may be suspended from trading on, or delisted from, the Exchange. Although management of the Company is working diligently to identify a Qualifying Transaction, there is no assurance that a Qualifying Transaction will be entered into or be completed within the specified time, or at all.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The required additional disclosure concerning the Company is contained in the unaudited financial statements and related notes thereto for the three and six months ended February 28, 2011.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at February 28, 2011, there were 4,000,000 common shares without par value of the Company issued and outstanding.

On March 24, 2011, the Company completed its initial public offering of 2,000,000 common shares without par value of the Company, bringing the total issued and outstanding of the Company to 6,000,000 common shares without par value. In addition, pursuant to the initial public offering of the Company, the Company issued 200,000 agent's options to Raymond James Ltd. exercisable for a period of 24 months from the date the common shares were listed on the Exchange, exercisable at a price of \$0.10 per share and further issued 400,000 incentive stock options to directors and officers of the Company under the Company's stock option plan, exercisable for a period of 10 years from the date the common shares were listed on the Exchange, exercisable at a price of \$0.10 per share.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.